

## Presidio Trust

## § 1011.21

(c) *Alternative payment arrangement.* If the debtor requests a special review under this section, the debtor must submit an alternative proposed payment schedule and a statement to the Presidio Trust, with supporting documents, showing why the current offset, garnishment or repayment schedule imposes an extreme financial hardship on the debtor. The Presidio Trust will evaluate the statement and documentation and determine whether the current offset, garnishment or repayment schedule imposes extreme financial hardship on the debtor. The Presidio Trust will notify the debtor in writing of such determination, including, if appropriate, a revised offset, garnishment or payment schedule. If the special review results in a revised offset, garnishment or repayment schedule, the Presidio Trust will notify the appropriate agency or other persons about the new terms.

### **§ 1011.19 Will the Presidio Trust issue a refund if money is erroneously collected on a debt?**

The Presidio Trust will promptly refund to a debtor any amount collected on a debt when the debt is waived or otherwise found not to be owed to the United States, or as otherwise required by law. Refunds under this part will not bear interest unless required by law.

### **§ 1011.20 Will the Presidio Trust's failure to comply with these regulations be a defense to a debt?**

No, the failure of the Presidio Trust to comply with any standard in the FCCS, these regulations or such other procedures of the Presidio Trust will not be available to any debtor as a defense.

## **Subpart C—Procedures for Offset of Presidio Trust Payments To Collect Debts Owed To Other Federal Agencies**

### **§ 1011.21 How do other Federal agencies use the offset process to collect debts from payments issued by the Presidio Trust?**

(a) *Offset of Presidio Trust payments to collect debts owed to other Federal agencies.* (1) In most cases, Federal agencies

submit eligible debts to the Treasury Offset Program to collect delinquent debts from payments issued by other Federal agencies, a process known as “centralized offset.” When centralized offset is not available or appropriate, any Federal agency may ask the Presidio Trust (when acting as a paying agency) to collect a debt owed to such agency by offsetting funds payable to a debtor by the Presidio Trust, including salary payments issued to the Presidio Trust employees. This section and § 1011.22 of this subpart C apply when a Federal agency asks the Presidio Trust to offset a payment issued by the Presidio Trust to a person who owes a debt to the United States.

(2) This subpart C does not apply to the collection of debts through tax refund offset.

(b) *Administrative offset (including salary offset); certification.* The Presidio Trust will initiate a requested offset only upon receipt of written certification from the creditor agency that the debtor owes the delinquent, legally enforceable debt in the amount stated, and that the creditor agency has fully complied with all applicable due process and other requirements, and the creditor agency's regulations, as applicable. Offsets will continue until the debt is paid in full or otherwise resolved to the satisfaction of the creditor agency.

(c) *Where a creditor agency makes requests for offset.* Requests for offset under this section must be sent to the Presidio Trust, ATTN: Chief Financial Officer, P.O. Box 29052, San Francisco, CA 94129-0052.

(d) *Incomplete certification.* The Presidio Trust will return an incomplete debt certification to the creditor agency with notice that the creditor agency must comply with paragraph (b) of this section before action will be taken to collect a debt from a payment issued by the Presidio Trust.

(e) *Review.* The Presidio Trust is not authorized to review the merits of the creditor agency's determination with respect to the amount or validity of the debt certified by the creditor agency.

(f) *When the Presidio Trust will not comply with offset request.* The Presidio